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12 **IN THE UNITED STATES DISTRICT COURT**
13 **FOR THE DISTRICT OF UTAH**

15 ERIC SCHIERMEYER, Derivatively on Behalf
16 of Nominal Defendant, BLOCKCHAIN GAME
17 PARTNERS, INC. D/B/A GALA GAMES,

17 Plaintiff,

18 vs.

19 WRIGHT THURSTON and TRUE NORTH
20 UNITED INVESTMENTS, LLC,

21 Defendants,

22 and

23 BLOCKCHAIN GAME PARTNERS, INC.
24 D/B/A GALA GAMES,

25 Nominal Defendant.

**DECLARATION OF JASON
BRINK IN OPPOSITION
DEFENDANTS/COUNTERCLAIM
ANTS' MOTION FOR
MANDATORY RESTRAINING
ORDER**

Case No: 2:23-cv-00589-HCN-DAO

Judge Howard C. Nielson

Magistrate Judge Daphne A. Oberg

DECLARATION OF JASON BRINK

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1
2 1. I, Jason Brink, am the President of Blockchain for Blockchain Game
3 Partners, Inc., d/b/a Gala Games (“Gala Games”). I have worked for Gala Games
4 since mid-2020. In my role as President of Blockchain, I am familiar with both the
5 day-to-day operations and the overall operations of Gala Games. As such, I have
6 knowledge of the facts set forth herein and could and would testify competently
7 thereto if called upon to do so. I also am familiar with the records of Gala Games,
8 which I consulted in order to determine the information set forth herein, all of which
9 are business records maintained in Gala Games’ files and systems in the ordinary
10 course of business.

11 2. I write this declaration, not because I want to write it, but because I feel it
12 needs to be written in order to give an accurate understanding of my motivations and
13 to clarify the facts. When I joined Gala Games, it was because of the vision presented
14 by Eric Schiermeyer and Wright Thurston of a decentralized future for entertainment
15 and beyond. I personally find this matter to be an unfortunate but necessary distraction
16 due to the departure of one of the founders from this ideal. In my eyes, we at Gala
17 Games serve the community and are entrusted to build the best ecosystem we can with
18 the help of a broader community of builders from the blockchain space. Gala is bigger
19 than either founder. Gala is bigger than me. What Gala represents is more expansive
20 than all of us — an amazing opportunity that can only be grasped if this situation can
21 be rectified.

22 3. Gala Nodes are available for purchase by the public, and the number of
23 available nodes is capped at 50,000.

24 4. The Company has distributed or sold 42,978 of the 50,000 available
25 nodes. Currently, there are 12,936 unique owners of Gala Nodes.
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27
28

1 5. When a node is created, it cannot be destroyed. Therefore, over the
2 course of business, any time a node was removed from an account for any reason, it
3 was transferred to a Company holding account.

4 6. For example, in the past, node purchasers were able to return their nodes
5 for a refund, and those nodes were put in the holding account.

6 7. Also, Gala Node licenses have been issued to employees of the
7 Company. When those employees left the Company, in many cases their licenses were
8 disabled and the nodes were placed into the holding account.

9 8. Gala Node licenses were also provided to a company called Liberty
10 United in exchange for providing security services to the Company. When Liberty
11 stopped providing those services, its nodes were disabled and placed into the holding
12 account.

13 9. This holding account also includes the nodes that Blox Lending and
14 Dereck Hope were operating without paying the Company for the nodes, which the
15 Company subsequently deactivated.

16 10. As of May 2023, the holding account included 1,414 nodes.

17 11. The Founder's Nodes Award Program contemplated by the Company
18 involved a distribution of the 7,022 as-yet-undistributed Gala Nodes plus 1,414 nodes
19 in the Company's holding account to Company employees. In other words, the nodes
20 that would be distributed under this program are not Thurston's nodes.

21 12. All Gala Nodes are governed by the Gala Terms and Conditions, which
22 are available online. A copy of those Terms and Conditions is attached hereto as
23 **EXHIBIT A.**

24 13. In June 2023, Thurston activated all 7,000 of his Gala Nodes. This is
25 evidenced by the daily distribution emails which I receive and which show the amount
26 of GALA distributed to each node wallet every day (as I have described in a previous
27 declaration).

1 14. Since Thurston activated his nodes in June 2023, the Ethereum
2 blockchain evidences that he has minted and sold all or nearly all of the GALA earned
3 from those nodes on an almost daily basis.

4 15. Shortly after Thurston activated his nodes, the daily distribution emails
5 evidence that Eric Schiermeyer also activated all 7,000 of his Gala Nodes. The
6 Ethereum blockchain does not show minting or sale of the GALA earned from those
7 nodes.

8 16. In order to “suspend” Wright Thurston’s operation of his nodes, his
9 access to the nodes had to be restricted. Thus, either the nodes had to be moved from
10 his account or his access to his Gala Games account had to be disabled. Here, the
11 Company moved the nodes from his account into a separate account. Those nodes
12 have not been transferred or sold to any other person.

13 17. A fixed amount of GALA is distributed to Gala Node owners who are
14 operating their nodes on any given day. In other words, the number of nodes
15 operating on any given day does not affect the total amount of GALA distributed to
16 node owners on that day.

17 18. The daily distribution of GALA to node owners is divided equally among
18 the Gala Nodes that were in operation that day.

19 19. Gala Games publishes its daily distribution information online, including
20 the number of GALA tokens distributed each day and the number of nodes in
21 operation on that day. The nodes in operation are referred to as “Points.”

22 20. To determine the amount of GALA Thurston would have received on any
23 given day if he had operated his Gala Nodes, one must simply add his 7,000 nodes to
24 the total number of nodes that were operated on that day, then determine the GALA
25 that would have been distributed per node.

26 21. For example, if Thurston had operated his Gala Nodes on October 17,
27 2023, he would have earned 3,844,845 GALA. This is calculated by determining how
28

much GALA would have been distributed per node on that day if Thurston had operated his nodes:

Nodes in Operation		Total Node Distribution	Distribution per Node
Without Thurston	23,854	17,123,288	718
With Thurston	30,854	17,123,288	555

22. One can calculate the total node distribution and the number of nodes in operation using the figures available online here:

<https://app.gala.games/distribution?date=1697587199999&tokenType=gala>

23. Because each node would have received 555 GALA if Thurston's nodes were in operation, and because Thurston has 7,000 nodes, he would have received 3,844,845 GALA from operating his nodes on October 17th.

24. All of the information necessary to perform this calculation, for any given day, is available online.

I declare, under penalty of perjury of the laws of Utah and of the United States of America, that the foregoing is true and accurate.

Dated: November 14, 2023

DocuSigned by:

Jason Brink

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Jason Brink

President of Blockchain

Blockchain Game Partners, Inc.